



General Assembly

Substitute Bill No. 6395

January Session, 2011

* ____HB06395APP__042611____ *

**AN ACT CONCERNING INTEREST EARNED ON THE SOLDIERS,
SAILORS AND MARINES FUND.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 27-138 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2011*):

3 (a) The Soldiers, Sailors and Marines Fund shall remain as
4 established and shall be in the custody of the Treasurer as trustee of
5 the fund and shall be administered by the treasurer of the American
6 Legion. The Treasurer shall invest the fund and shall reinvest as much
7 of the fund as is not required for current disbursement in accordance
8 with the provisions of part I of chapter 32. The interest accumulations
9 of the fund so held in trust or so much thereof as is found necessary to
10 carry out the purposes hereinafter stated shall be paid, upon the order
11 of the Comptroller, upon such statements as the Comptroller may
12 require, to the treasurer of the American Legion, who shall disburse
13 the same, and the balance of said accumulations, except for a reserve of
14 one hundred thousand dollars held in custody of the trustee for
15 contingent purposes, shall at the end of each fiscal year be added to the
16 principal of the fund. If the interest accumulations of the fund,
17 together with available appropriations, if any, of other funds, are
18 insufficient to carry out the purposes of this part, the Finance Advisory
19 Committee, upon recommendation of the Governor, shall make

20 appropriations therefor from the state General Fund, limited, however,
 21 for any fiscal year to amounts which, together with said interest
 22 accumulations for such year, shall not exceed the annual interest on
 23 thirty-five million dollars at the average rate of the investment yield
 24 earned during the preceding fiscal year on the Soldiers, Sailors and
 25 Marines Fund, provided, in case of disaster constituting an emergency,
 26 as declared by the Governor, the Finance Advisory Committee may
 27 make additional appropriations to the fund without regard to such
 28 limitation. Any amounts appropriated from the General Fund under
 29 the provisions of this subsection on or after July 1, 2002, and disbursed
 30 by the treasurer of the American Legion to carry out the purposes of
 31 this part, shall be repaid to said fund in accordance with the provisions
 32 of subsection (b) of this section. Payments to the treasurer of the
 33 American Legion shall be made at such definite and stated periods as
 34 are necessary to meet the convenience of the American Legion and
 35 said trustee; but each payment shall be made upon the order of the
 36 treasurer of the American Legion, approved by at least two of its
 37 executive officers or of a special committee thereof thereunto specially
 38 authorized. No part of the interest accumulation of the fund shall be
 39 expended for the purpose of maintaining the American Legion.

40 (b) If in any fiscal year the interest earned on the principal of the
 41 Soldiers, Sailors and Marines Fund exceeds the expenditure level of
 42 said fund and there remains an outstanding balance in the cumulative
 43 amount to be repaid to the General Fund by the Soldiers, Sailors and
 44 Marines Fund under the provisions of subsection (a) of this section, the
 45 Comptroller may transfer any interest earned in excess of expenditure
 46 to the General Fund. Except as provided in this section, the
 47 Comptroller may not transfer interest earned on the principal of the
 48 Soldiers, Sailors and Marines Fund to the General Fund.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2011	27-138
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VA	<i>Joint Favorable C/R</i>	APP
APP	<i>Joint Favorable Subst.</i>	